

## Department of Energy

## § 440.18

### § 440.17 Policy Advisory Council.

(a) Prior to the expenditure of any grant funds, a State policy advisory council shall be established by a State or by the Support Office Director if a State does not participate in the program which:

(1) Has special qualifications and sensitivity with respect to solving the problems of low-income persons, including the weatherization and energy conservation problems of these persons;

(2) Is broadly representative of organizations and agencies, including consumer groups that represent low-income persons, particularly elderly and handicapped low-income persons and low-income Native Americans, in the State or geographical area in question; and

(3) Has responsibility for advising the appropriate official or agency administering the allocation of financial assistance in the State or area with respect to the development and implementation of a weatherization assistance program.

[49 FR 3629, Jan. 27, 1984, as amended at 58 FR 12529, Mar. 4, 1993]

### § 440.18 Allowable expenditures.

(a) An average of at least 40 percent of the funds provided in a State under this part for weatherization materials, labor, and related matters included in paragraphs (c)(1) through (9) of this section shall be spent for weatherization materials, except if DOE approves a State's application to waive the 40 percent requirement under § 440.21(h).

(b) The expenditure of financial assistance provided under this part for labor, weatherization materials, and related matters included in paragraphs (c)(1) through (9) and (c)(15) of this section shall not exceed an average of \$1,600 per dwelling unit weatherized in the State, except as adjusted as follows:

(1) The \$1,600 average will be adjusted annually by DOE beginning in calendar year 1991 by increasing the limitation by an amount equal to:

(i) The limitation amount for the previous year, multiplied by

(ii) The lesser of:

(A) The percentage increase in the Consumer Price Index (all items, United States city average) for the most recent calendar year completed before the beginning of the year for which the determination is being made, or

(B) Three percent.

(2) In addition to the average per-dwelling-unit limitation applicable in a State under this section, DOE shall, upon application by a State, establish a separate average per-dwelling-unit limitation for dwelling units in such States which conform to program requirements and, in addition to any other weatherization modifications, have capital-intensive furnace or cooling efficiency modifications as defined in § 440.3 made under this part. The average per-dwelling-unit limitation applicable in a State which meets these requirements shall not exceed an amount equal to:

(i) The amount permitted for the expenditure of financial assistance for labor, weatherization materials, and related matters for dwelling units in such State in paragraphs (c) (1) through (9) and (c)(15) of this section plus

(ii) An amount determined by the State to be the average amount that is appropriate for capital-intensive furnace or cooling efficiency modifications of dwelling units of the type assisted under this part in such State and approved by DOE.

(c) Allowable expenditures under this part include only:

(1) The cost of purchase and delivery of weatherization materials;

(2) Labor costs, in accordance with § 440.19;

(3) Transportation of weatherization materials, tools, equipment, and work crews to a storage site and to the site of weatherization work;

(4) Maintenance, operation, and insurance of vehicles used to transport weatherization materials;

(5) Maintenance of tools and equipment;

(6) Purchase or annual lease of tools, equipment, and vehicles, except that any purchase of vehicles shall be referred to DOE for prior approval in every instance;